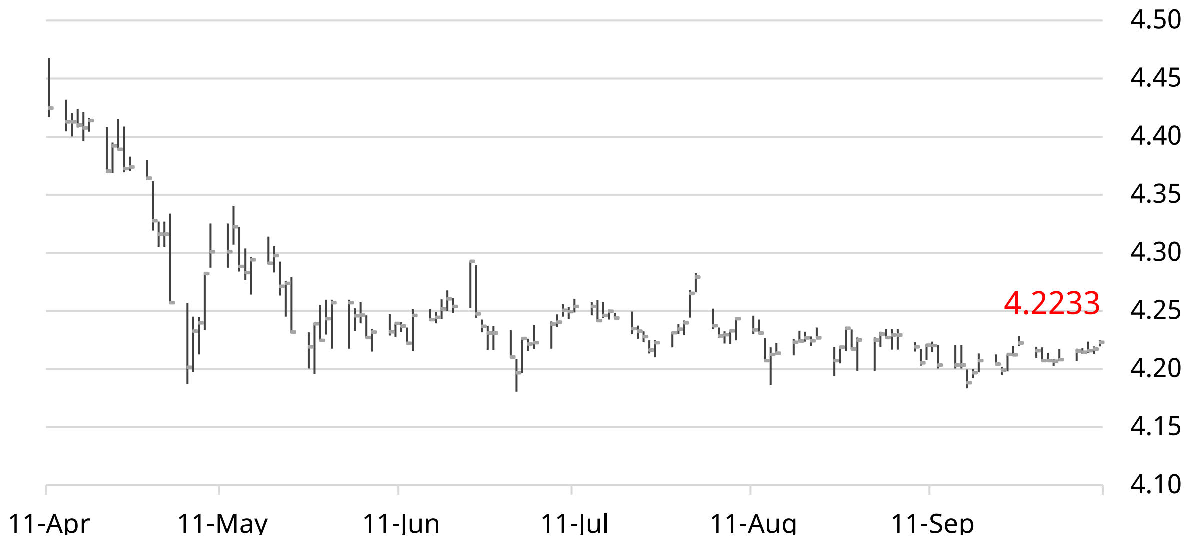
10 October 2025

Global Markets Research

Midday Currency Outlook

USD/MYR



Source: Bloomberg, HLBB Global Markets Research

Intraday Thoughts – Neutral-to-Slightly Bullish

USD/MYR opened 0.06% higher at 4.2195 and strengthened to 4.2233 at the point of writing. Daily outlook is neutral-to-slightly bullish given the higher opening and upper trajectory post opening, but gains likely kept in check amid cautiousness over the upcoming economic data from Malaysia and amid optimism that the MOF will remain committed to rein in its fiscal shortfall in its 2026 Budget, moving towards its 13MP target of below 3% by 2030. The Malaysia's national budget for 2026 is due to be tabled later today and should lend some support for MYR.

1-Month Outlook – USD/MYR Neutral

We prefer to stay neutral on USD/MYR as we expect some consolidation in the USD following the recent USD strength. Fundamental wise, the recent FOMC statement has flagged the shift in balance of risks, notably increased downside risks to employment, balanced against Fed Chair Jerome Powell continued cautiousness over signs of permanence/transitory impact from the recent tariff hikes and less than aggressive rate cut stance view by the Fed vis-à-vis market. With Powell describing the latest 25bps Fed rate cut as a "risk management cut," amid upgrades in the GDP, core-PCE and labour data (ironically), we thus opine that any policy easing going forward will remain gradual for now. As it is, while consensus and in-house are expecting a 50bps rate cut for the remaining of 2025 and another 50bps in 2026, the Fed dot plot signals a smaller quantum of 25bps by end-2026. On the domestic front, BNM delivered a more neutral tone in its latest policy statement, removing the slight tinge of cautiousness that we saw previously, while highlighting numerous positive development and potential upsides. This should have wiped out expectations for any further easing in the near term, and reaffirmed our view for no further adjustment in the OPR for the rest of the year and probably into 2026.

	S2	S1	Indicative	R1	R2
USD/MYR	4.2100	4.2135	4.2233	4.2295	4.2436

USD/SGD

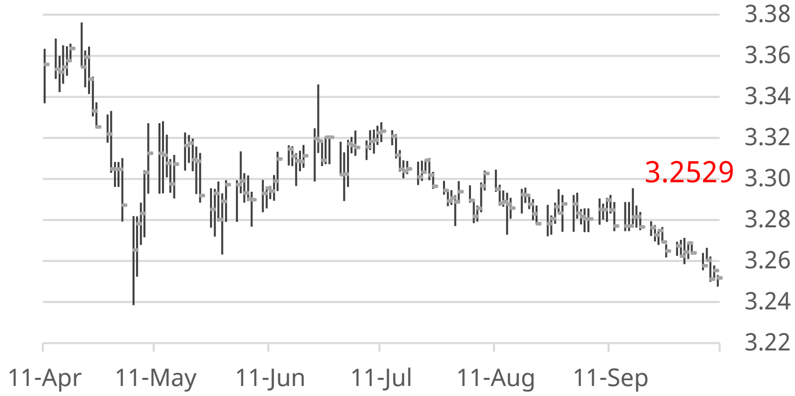
USD/SGD Neutral-to-Slightly Bearish

USD/SGD opened flat at 1.2997 before retreating to 1.2984 at the point of writing. Daily outlook is neutral-to-slightly bearish amid broad SGD strength and as the pair is veering towards the overbought position. Key risk for this pair today is the upcoming University Michigan Consumer Sentiment index where expectations is that it will ease further to 54.0 in October.

	S2	S1	Indicative	R1	R2
USD/SGD	1.2910	1.2953	1.2984	1.3024	1.3052

MYR Crosses

SGD/MYR

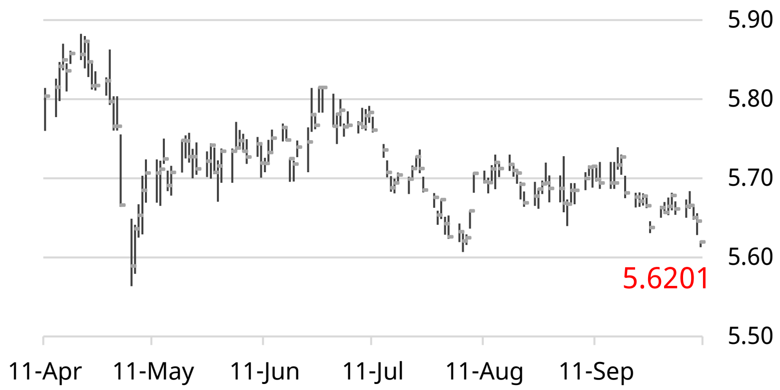


SGD/MYR Neutral

SGD/MYR opened 0.30% lower at 3.2453 before paring its losses to trade at 3.2529 at the point of writing. We are neutral for this pair, with the losses from the lower opening likely to narrow given SGD strength and as the pair trades near its oversold position. Other from Budget 2026, traders will be watching out for Malaysia's IPI, where expectations is that it will ease to 3.4% y/y in August.

	S2	S1	Indicative	R1	R2
SGD/MYR	3.2420	3.2485	3.2529	3.2582	3.2615

GBP/MYR

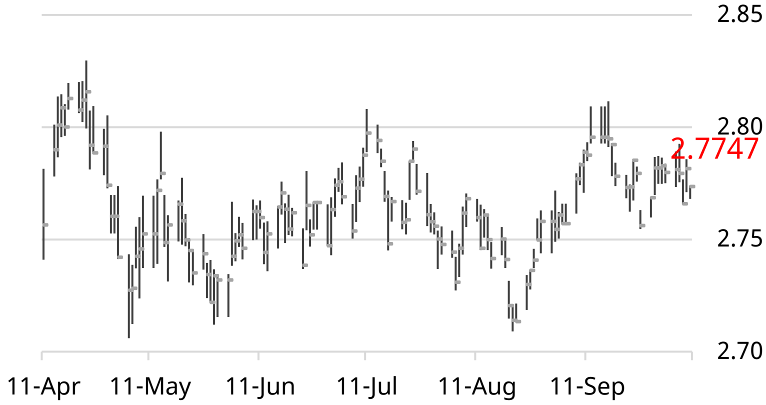


GBP/MYR Slightly Bearish

GBP/MYR opened 0.58% lower at 5.6130 before rebounding to 5.6201 at the point of writing. Daily outlook is slightly bearish given the sharply lower opening, but expect losses to be capped at 5.6158 (S1) given that the pair is trading close to its oversold position and as GBP/USD trades in green at 1.3310.

	S2	S1	Indicative	R1	R2
GBP/MYR	5.5884	5.6158	5.6201	5.6581	5.6706

AUD/MYR



AUD/MYR Slightly Bearish

AUD/MYR opened 0.47% lower at 2.7628 before rebounding to 2.7747 at the point of writing. Daily outlook is slightly bearish given the lower opening, but expect losses to narrow amid AUD strength after RBA's Bullock commented that the central bank is in a pretty good spot, sending AUD/USD higher to 0.6572.

	S2	S1	Indicative	R1	R2
AUD/MYR	2.7496	2.7645	2.7747	2.7879	2.7945

Source: Bloomberg, HLBB Global Markets Research

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